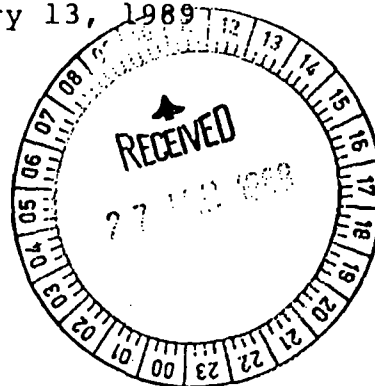


January 13, 1989



Mr. G. R. Ball
Manager, Commercial & Property
Gwalia Resources (International) Ltd.
P. O. Box 669, West Perth
Western Australia 6005

Dear Mr. Ball:

Re: Lease of Bowater Tract 1282-1
McCormick County, South Carolina
Assignment from Amselco to Gwalia

Thank you for your letter of December 13, 1988, with which you enclosed a copy of the assignment agreement dated 25 October, 1988. On behalf of Bowater Incorporated, I hereby acknowledge notice and receipt of the assignment and that Gwalia (U.S.A.) Ltd. has assumed the interest and obligations covered by the assignment effective from last October 25. We will change our records accordingly and will expect receipt of evidence of required insurances, if same have not already been received, as soon as possible.

We look forward to a good relationship with you and your company.

Very truly yours,

Harvey M. Templeton

Harvey M. Templeton, III
Assistant Secretary

mlg



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